



DEPARTMENT OF STATE

WASHINGTON

CONFIDENTIAL

13 APR 1967

Mr. William N. Morell, Jr.
Director, Research and Reports
Central Intelligence Agency
Headquarters Building, Room 4F18
Washington, D.C.

Dear Mr. Morell: *Bill*

I would appreciate your comments on the enclosed draft telegram on exception case delegation of authority and COCOM List Review plans. I am also enclosing a copy of my letter to Commerce which provides some background.

Sincerely yours,

JGC
Joseph A. Greenwald
Deputy Assistant Secretary for
International Trade Policy

Enclosures:

1. Draft telegram
2. Letter to Commerce

State Dept. review completed

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17 APR 1967

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April 13, 1967

Defense-State Draft Telegram to Paris

STATE

NATUS

EXCON

SUBJECT: Delegation of Authority for Certain COCOM Exception Cases
and List Review Plans

1. USDq1 is authorized to approve COCOM exception cases for export to Eastern Europe and the USSR of any repeat any embargoed item (except for Battle Act Category A items) if for peaceful and civil end uses.
2. USDel is authorized to approve or propose COCOM procedural changes when the revised procedures will not affect embargo coverage.
3. FYI. US plans to submit COCOM list review proposals October 15, 1967, and to suggest at that time that COCOM consider these in January 1968. We will be reviewing proposals from the last COCOM List Review which would have been agreed except for US or French vetoes. END FYI.

E/EWT:WARoot:1jb

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13 APR 1967

Mr. Lawrence C. McQuinn
Acting Assistant Secretary
for Executive and International Business
Department of Commerce
Washington, D.C.

Dear Larry:

I would appreciate your comments on the enclosed draft telegram on exception case delegation of authority and COCOM List Review plans.

I note that the attachment to Acting Secretary Trowbridge's March 3 letter states that Commerce is ready to review the proposal for delegation of authority on exception cases to ascertain whether certain embargo items can be treated in this manner, and, if so, subject to what conditions. The draft would not instruct the USDEI to approve automatically all such cases. However, we see no compelling reason for processing all these cases in Washington. When the USDEI feels in need of additional technical and intelligence review, he would ask Washington for assistance.

In developing our COCOM List Review plans, we have taken into consideration the suggestion in the Commerce paper to use removal of items as leverage to persuade our COCOM allies to agree to additions. He believes that review of the GCI should be given priority over another COCOM List Review. However, by concentrating on COCOM proposals previously submitted, the task of preparing additional technical evaluations would be kept to a minimum.

Sincerely yours,

Joseph M. Greenwald
Deputy Assistant Secretary for
International Trade Policy

Enclosure:

Draft Telegram

E/KWT:WARoot:mtk

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17 April 1967

MEMORANDUM FOR THE RECORD

SUBJECT: Delegation of Authority for Certain COCOM Exception Cases and List Review Plans

Not our problem

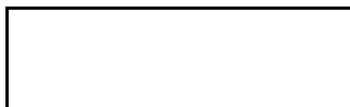
Paragraph 1 - The necessity for review by CIA and agreement by Commerce, Defense, State, and sometimes other departments on 100 to 150 exception cases a year have caused many delays which have been embarrassing to the USDEL and detrimental to the US image in COCOM. Under the proposed set-up the USDEL will use the discretion proposed for him in cases where the situation is apparently quite clear on the basis of information supplied by the Participating Country requesting exception approval or on the basis of precedent. The exception request documents will continue to be distributed to all interested parties in Washington in the same manner as they now are so that if any appropriate agency sees an apparent problem there will be time to alert the USDEL to await instructions from Washington before approving the case. We see no reason that the proposed arrangement will prevent effective use of pertinent intelligence.

Paragraph 2 - No intelligence factor involved here.

For US, OK

Paragraph 3 - The 15 October 1967 presentation by the USDEL of List Review proposals probably would require CIA to make any new contributions required by about 15 August. Mr. Root has listed about 65 items which he defined as having been proposed unsuccessfully for revision in the 1965 List Review and failed to be revised because of the objection of either the US or France. Most of these items, however, either are not disagreed because of ^{intelligence} aspects of the problem or would not require significant updating of intelligence comment.

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